



**Comptroller General
of the United States**

Washington, D.C. 20548

Decision

Matter of: Wyle Laboratories, Inc.; Latecoere
International, Inc.

File: B-239113; B-239113.2

Date: August 6, 1990

E. Sanderson Hoe, Esq., and Lori L. Jackson, Esq., McKenna Conner & Cuneo, for Wyle Laboratories, Inc., and L. James D'Agostino, Esq., and Lance J. Lerman, Esq., Wickwire Gavin, P.C., for Latecoere International, Inc., the protesters. Timothy S. Kerr, Esq., Starfield & Payne, for Environmental Tectonics Corporation, an interested party. Thomas T. Basil, Esq., Naval Training Systems Center, Department of the Navy, for the agency. Guy R. Pietrovito, Esq., and James A. Spangenberg, Esq., Office of the General Counsel, GAO, participated in the preparation of the decision

DIGEST

1. In a negotiated procurement in which award was made to the offer representing the best value to the government, a protester is an interested party under the General Accounting Office Bid Protest Regulations to protest the evaluation of proposals, even where the protester's offer is second highest priced of five offers, since, if its protest were sustained, it could be in line for award.
2. Agency did not waive specification requirements regarding seat adjustments in making an award for a centrifuge trainer.
3. The source selection official could properly select for award the low priced, lower rated offeror in a negotiated procurement where the solicitation provided that, although cost was less important than technical evaluation factors, award would be on a best value basis to that offeror submitting an acceptable proposal with appropriate consideration given to cost and other factors.

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4. The source selection official reasonably determined, contrary to the recommendations of lower-level evaluators, that the technical advantages of the highest rated proposal did not reflect significant technical superiority outweighing the awardee's price advantage, given the awardee's acceptable level of technical competence available at the lower cost.

DECISION

Wyle Laboratories, Inc. and Latecoere International, Inc. protest the award of a contract to Environmental Tectonics Corporation (ETC) under request for proposals (RFP) No. N61339-89-R-0004, issued by the Naval Training Systems Center, Department of the Navy, for the design, construction, and support of a G-Tolerance Improvement Program device and facility. Latecoere argues that its technically superior proposal should have been selected for award as the "best value" to the government, and that award to the lower rated ETC, because it was the low priced offeror, was not in accordance with the stated RFP evaluation scheme. Wyle argues that competition must be reopened with all offerors since the Navy failed to evaluate proposals in accordance with the stated evaluation scheme.

We deny the protests.

The RFP contemplated the award of a fixed-price contract for the design, construction, and support of a G-Tolerance Improvement Program (G-TIP) device and facility on a turnkey basis. The G-TIP training system is intended to provide pilots of high performance jet aircraft with the experience necessary to avoid the loss of consciousness due to high gravitational forces encountered in sudden acceleration. The G-TIP system, called for by the RFP, consists of a G-TIP centrifuge trainer housed in a facility, which also contains instructional, medical, maintenance, and administrative support facilities. The G-TIP trainer is in essence a gondola, in which the pilot sits, attached to an arm which propels the gondola in a circular fashion.

The RFP listed detailed performance and function specifications as well as detailed technical proposal requirements, which informed offerors of the information which was required for each evaluation factor. The solicitation listed the following evaluation factors in descending order of importance:

- (1) Technical Design--Device
- (2) Technical Design--Facility
- (3) Management Plan
- (4) Past Performance
- (5) Integrated Logistics Support
- (6) Cost

The solicitation also provided subfactors for each evaluation factor and identified some of the subfactors as "critical elements." A "critical element" was defined as an area of prime concern to the government; the RFP warned offerors that a proposal that was found technically unacceptable for one or more critical elements might be judged technically unacceptable overall.

Offerors were informed that award would be made on a "best value" basis "to that offeror submitting an acceptable technical proposal with appropriate consideration given to cost and other factors." The solicitation also provided that cost was not expected to be the controlling factor in source selection but that the importance of cost could become greater depending upon the equality of the other factors evaluated; where competing proposals were determined to be substantially equal, cost would become the controlling factor. The government reserved the right to make award on the basis of initial proposals without discussions.

The source selection evaluation board (SSEP) evaluated proposals using an adjectival rating and risk assessment scheme: "exceptional," which was defined as exceeding the specified performance with high probability of success and no significant weaknesses; "acceptable," which was defined as meeting specified performance standards with good probability of success and no significant weaknesses; "marginal," which was defined as failing to meet the performance standards but with deficiencies that were correctable without a major rewrite; and "unacceptable," which was defined as where a proposal failed to meet specified performance standards or where correction of the

deficiency would require a major rewrite. Risk assessments were defined according to the potential risk of disruption of schedule, increase in cost, or degradation of performance. "High" risk was defined as being "likely" to cause "significant serious risk." "Moderate" risk was defined as "potentially" causing "some" risk. "Low" risk was defined as having "little potential" for causing risk.

The Navy received five proposals, including offers from Latecoere, Wyle and ETC. The SSEB evaluated the proposals and provided ratings to the source selection advisory council (SSAC). The SSAC concluded that Latecoere's offer was technically acceptable and that another firm's proposal (not a protester) was marginally acceptable, but that the remaining three proposals, including those of ETC and Wyle, were technically unacceptable. The SSAC recommended that award be made to Latecoere, without discussions, since it represented the best value to the government, inasmuch as the marginally acceptable offeror proposed a significantly higher price. The source selection authority (SSA) adopted the SSAC's recommendation and sought the requisite business clearance for award to Latecoere from the Assistant Secretary of the Navy for Shipbuilding and Logistics.^{1/}

The Assistant Secretary conditioned his approval of the pre-negotiation business clearance memorandum upon the agency conducting discussions with all five offerors. Accordingly, discussions were conducted with all of the offerors and revised technical proposals received. Upon evaluation of the revised technical proposals, all five offerors were found to be technically acceptable. The SSEB's final

^{1/} The Navy's acquisition regulations provide that award of a contract cannot be made prior to obtaining the approval of a business clearance memorandum by the appropriate authority, in this case, the Assistant Secretary of the Navy for Shipbuilding and Logistics. Navy Acquisition Procedures Supplement § 1.690-1 (1989). Such clearance is required pursuant to the authority derived from the Secretary of the Navy and Federal Acquisition Regulation § 1.602-1(b) and is used by the Navy as a means of monitoring its procurement operations. See Oklahoma Aerotronics, Inc.--Recon., B-237705.2, Mar. 28, 1990, 90-1 CPD ¶ 337.

technical evaluation results for ETC, Latecoere and Wyle were as follows:

	<u>Latecoere</u> Rating/Risk ^{2/}	<u>ETC</u> Rating/Risk	<u>Wyle</u> Rating/Risk
Device Design	A/L	A/L	A/M
Facility Design	E/L	A/L	A/L
Management Plan	A/M	A/M	A/M
Past Performance	E/L	M/M	A/L
Logistics Support	E/L	A/M	A/M
<u>Cost</u>	<u>A/L</u>	<u>A/M</u>	<u>A/L</u>
OVERALL	E/L	A/M	A/M

Best and final price offers for the three firms, and the government's independent cost estimate (ICE), were as follows:

ETC	\$10,351,541
Latecoere	\$11,158,665
Wyle	\$18,201,695
ICE	\$10,065,206

The SSAC recommended that only the offers of Latecoere and ETC, as the two lowest priced acceptable offerors, be considered for award because, although the other three offerors met the minimum requirements of the PFP, their proposals were substantially higher in price (\$14,396,202; \$18,201,695; and \$18,609,915). The SSAC then recommended that award be made to Latecoere since its proposal represented the best value to the government. In this regard, the SSAC found that Latecoere's exceptional design approach offered the lowest overall risk to the government which outweighed the more than \$800,000 costs savings offered by ETC's low, acceptable proposal.

^{2/} The letters under technical rating represent the following: "E" for exceptional; "A," acceptable; "M," marginal; and "U," unacceptable. Under risk assessment, the letters represent the following: "H" for high; "M," moderate; and "L," low.

The SSA reviewed the SSAC's recommendation and the SSEB proposal evaluation and analysis documents, and met with the SSAC chairman, legal counsel, and engineering and contracts representatives. As a result of his independent review, the SSA concluded that ETC had submitted a fully acceptable proposal that demonstrated ETC's clear understanding of the technical requirements at the lowest price and that its offer represented the best value to the government.^{3/} Accordingly, the SSA determined, contrary to the recommendation of the SSAC, that award should be made to ETC. The SSA documented his decision in a nine page decision paper discussing each of the technical evaluation areas of ETC's and Latecoere's proposals and how each factor related to their relative prices. After approval of the post-negotiation clearance memorandum, award was made to ETC on March 22, 1990, and these protests followed.

The Navy argues that Wyle is not an interested party to protest the award under our Bid Protest Regulations, 4 C.F.R. § 21.0(a) (1990), because Wyle submitted the second highest priced offer of the five offers and would not be in line for award even if the award to ETC were found to be improper. Wyle, however, is not merely challenging the award to ETC. Wyle claims that the evaluation of other proposals were inconsistent with the stated evaluation factors and that its proposal represented the best value to the government. This means that Wyle could be in line for award if its protest were sustained, and we thus consider Wyle an interested party.^{4/} See Pan Am World Servs., Inc.; Base Maintenance Support Group; Homes & Narver Servs., Inc., B-231840 et al., Nov. 7, 1988, 88-2 CPD ¶ 446.

Latecoere and Wyle both argue that ETC's proposed design failed to satisfy some of the performance specifications for the gondola, a critical element subfactor of the most important evaluation factor, "device design." Specifically,

^{3/} The original SSA retired prior to the SSAC's revised award recommendation. Thus, the SSA who determined that award should instead be made to ETC as the best value to the government, is not the same person who earlier had determined that award should be made to Latecoere based upon initial proposals without discussions.

^{4/} In view of Wyle's relatively high price, it is not entirely clear that Wyle realistically had a chance for award. However, since Wyle's protest substantially overlaps Latecoere's protest, we resolve any doubts in this regard in favor of Wyle and will consider it an interested party.

the protesters argue that the specifications require, as they provided in their proposals, that both the student and instructor have the ability to adjust the gondola seat. The specifications in pertinent part provide that "[a]djustment and alignment indication shall be provided for both the student and the instructor." [Emphasis supplied.] We agree with the agency that a reasonable reading of this specification does not require that both the student and instructor be able to adjust the student's seat, only that both the student and instructor have an indication of the adjustment and alignment of the seat, and that ETC's proposed gondola met this requirement.^{5/}

Latecoere also argues that the SSA, in his selection statement, improperly found that Latecoere's design, which provided for vertical as well as fore and aft movement to allow for the alignment of the student in the primary ear position, exceeded the RFP requirements. Latecoere contends that the specifications "implicitly" require both vertical movement and fore and aft movement, and that ETC's design, which only provided for vertical movement, is deficient.

The gondola seat specification provides that "[t]he seat shall also be adjustable such that the center of the support axes passes within +/- one-half inch of the midpoint of an imaginary line between the ear tragions of each student."^{6/} In this regard, Latecoere argues that MIL-STD-1472C, which was incorporated into the RFP, states that

^{5/} During the informal conference on this matter, the Navy stated that the agency intended that a seat adjustment be provided for both the student and the instructor. The Navy, however, stated that the pertinent specification can be reasonably read only to require that the student and instructor have an indication of adjustment and alignment. We too think that the better interpretation of this specification is that the student and the instructor have an indication of adjustment and alignment. In this regard, ETC's proposal clearly indicates that while both the student and instructor would have an indication of alignment, only the student would be able to adjust the seat, and ETC was not asked any discussion questions in this matter.

^{6/} The tragon is the region around the tragus, which is the small piece of cartilage with skin around it that protrudes in front of the external opening of the ear.

there is more than a one inch difference between the position of the tragus relative to the back of the head between aviators in the 5th and 95th percentile. Thus, Latecoere contends that ability to adjust the seat forward and aft is necessary to properly align the pilot.

We agree with the agency that the RFP only requires that the seat be adjustable to align the pilot in the primary ear position, which is defined by the RFP as being within a half-inch of the center of the imaginary line between the student's ear tragions. ETC satisfied this requirement by providing a seat, which is in a fixed seat back angle, rigidly mounted to the gondola floor, and which can be adjusted vertically in relation to the imaginary line between the student's ear. It is true that ETC's design does not provide for fore or aft movement, in relation to this imaginary line, to align the student in the center of this line. However, the RFP contains no such requirement and the MIL-STD-1472C, "Human Engineering Design Criteria for Military Systems, Equipment and Facilities," while providing dimensions for aviators in various percentile groups, does not provide any requirements for how the gondola seat is to be adjusted.

Latecoere further contends that the specifications require a gondola with alternate support axes passing through the ear, the heart or the navel position of the student and that the SSA was in error in finding that this feature in Latecoere's proposed gondola is an "enhancement" rather than a requirement. Latecoere contends that ETC's proposal, which provided for rotation around the ear position and for a later change to a rotational position around the heart and navel, does not comply with the specification requirements.

We do not agree. From our reading of the pertinent specifications, we find reasonable the SSA's and SSAC's conclusion that the RFP required, and ETC provided, a design in which the intersection of the axes support system was at the ear position and that intersection of the axes at the heart and navel position could be provided by later modification. In this regard, the specifications for the

gondola support axes provide:

"The gondola shall be supported by a two axis (dual-gimballed) support system whose axes intersect at 90 degrees. The intersection of the axes shall be at the midpoint of an imaginary line drawn between the ear tragus of each student. . . . The design shall provide sufficient strength and clearance for the support to pass through the (1) heart position in all seat angle positions specified herein, as well as the (2) navel position of the student when in a supine position."

The gondola is attached to the arm by means of a yoke and gimbal rings, and the specifications for those items provide:

"The design of the Yoke and Gimbal Rings shall be such that sufficient clearance and strength are provided so that a new gondola, or a modification of the gondola design proposed, having the two support axes intersection point located at either the ear, the heart, or the navel position (when in a supine position) of the student can be incorporated at a later time with no, or minimal, change of the Gimbal Rings or Yoke structure."
[Emphasis added.]

The only reasonable interpretation of these two specifications is that the offeror's gondola design must provide for the intersection of the axes at the ear position and that sufficient strength and clearance must be provided to allow a later design modification for the intersection of the axes at either the heart or navel position. Thus, the SSA could reasonably conclude that ETC's proposal satisfied, and Latecoere's proposal exceeded, the specification requirements in this regard.

The protesters also argue that the agency's source selection decision was unreasonable and inconsistent with the stated evaluation scheme. The protesters contend that the SSA improperly considered cost in making his source selection since the solicitation provided that cost was the least important evaluation factor and was not expected to be the controlling factor unless competing proposals were determined to be substantially equal.

We disagree. Here, the RFP stated the relative importance of the evaluation factors and provided that award would be made on a "best value" basis "to that offeror submitting an acceptable technical proposal with appropriate considerations given to cost and other factors." Read as a whole, the RFP clearly provided that where technical proposals are not technically equal, cost alone is not determinative, but nevertheless must be weighed against the other factors to determine the best value to the government. See Summit Research Corp., B-225529, Mar. 26, 1987, 87-1 CPD ¶ 344. To read the solicitation otherwise would require the selection of the highest technically rated proposal regardless of cost. Such a result is inconsistent not only with the RFP but with the requirement that the government consider cost or price in all its selection decisions. See 10 U.S.C. § 2305(b) (1988).

Source selection officials in a negotiated procurement have broad discretion in determining the manner and extent to which they will make use of the technical and cost evaluation results; cost/technical tradeoffs may be made, and the extent to which one may be sacrificed for the other is governed only by the tests of rationality and consistency with the established evaluation criteria. TRW, Inc., 68 Comp. Gen. 512 (1989), 89-1 CPD ¶ 584. Even where cost is the least important evaluation factor, an agency may award to a lower priced, lower scored offeror if it determines that the cost premium involved in awarding to a higher rated, higher priced offeror is not justified given the acceptable level of technical competence available at the lower cost. Dayton T. Brown, Inc., B-229664, Mar. 30, 1988, 88-1 CPD ¶ 321. The determining element is not the difference in technical scores, per se, but the selection official's judgment concerning the significance of that difference, and the question in such a case is whether the award decision was reasonable and adequately justified in light of the RFP evaluation scheme. TRW, Inc., 68 Comp. Gen. 512, supra; Burnside-Ott Aviation Training Center, Inc.; Reflectone Training Sys., Inc., B-233113; B-233113.2, Feb. 15, 1989, 89-1 CPD ¶ 158.

Thus, where, as here, award is made to the lower priced, lower rated offeror notwithstanding an evaluation scheme placing primary importance on technical considerations, we will review the agency's selection decision to determine whether it is supported by a reasonable justification. See Meridian Corp., 67 Comp. Gen. 223 (1988), 88-1 CPD ¶ 105.

In reviewing the reasonableness of an agency's justification, however, we will not substitute our judgment for that of the selection official, even where we disagree with the wisdom of that official's choice. See, e.g., Grey Advertising, Inc., 55 Comp. Gen. 1111 (1976), 76-1 CPD ¶ 325. In this case, we find the SSA's selection decision was reasonable and in accordance with the evaluation criteria.

Specifically, regarding the exclusion of Wyle's proposal from further consideration for award, the SSA concluded that Wyle's higher priced, lower rated proposal did not represent the best value to the government. The record shows that, although Wyle's proposal was found technically acceptable, it was not considered technically superior to Latecoere's or ETC's proposals by either the SSAC or SSA. In this regard, under the most important evaluation factor, technical design of the device, the SSAC rated Wyle last of the five offerors. Also, Wyle's offer was the second highest priced offer of the five offers received and was more than \$7 million higher than ETC's and Latecoere's proposals and the government's estimate. Under the circumstances, the SSA reasonably determined that the technical merit offered in Wyle's lower rated proposal was not worth the more than \$7 million premium.^{7/}

Regarding the selection of ETC's proposal for award, Latecoere and Wyle argue that the SSA's cost/technical tradeoff determination was not reasonable. Although the SSA's source selection decision discussed each evaluation factor, Latecoere disputes the SSA's analysis in each case, and contends that the SSA unreasonably disregarded the

^{7/} Wyle argues generally that the agency did not properly evaluate the proposals but overlooked deficiencies in ETC's and Latecoere's proposals. However, the only deficiencies Wyle has alleged are ETC's seat adjustment design, which we found satisfied the RFP specifications, and Latecoere's alleged failure to ensure that its G-TIP device foundation satisfied the specification requirement that "[t]he complete centrifuge system, including the foundation . . . shall exhibit no resonance at frequencies below 10.0 cycles per second," a matter we need not consider since Latecoere was not selected for award.

SSEB's and SSAC's evaluation results and recommendations. Latecoere contends that its high rating was indicative of significant technical superiority as recognized by the SSAC, which was worth the \$800,000 price premium.

We have reviewed the evaluators' scoring sheets and narratives, the SSEB's and SSAC's reports, ETC's and Latecoere's proposals, and the SSA's source selection decision, along with the arguments of the parties, and do not find that the SSA's cost/technical tradeoff was unreasonable. The record shows that for each evaluation factor the SSA weighed the differences between ETC's and Latecoere's proposals to determine the relative benefit and costs of each proposal, and concluded that the technical benefit offered by Latecoere's proposal did not outweigh the \$800,000 price advantage of ETC's technically acceptable proposal. In this regard, we have recognized that, while point scores, technical evaluation narratives, and adjective ratings may be indicative of whether one proposal is technically superior to another and should be considered, source selection officials are not bound by the recommendations of lower-level evaluators, even though the working level evaluators may normally be expected to have the technical expertise required for such evaluations. See Grey Advertising, Inc., 55 Comp. Gen. 1111, supra.

The record shows that under the most important evaluation factor, technical design of the G-TIP device, both ETC and Latecoere received an overall rating from the SSEB and SSAC of acceptable with low risk. Of the 12 subfactors identified as critical elements, the two offerors received identical ratings of acceptable with low risk, except for the gondola and arm subfactors, for which Latecoere was rated exceptional with low risk and ETC was rated acceptable with low risk.^{8/} The SSA, in reviewing the differences between ETC's and Latecoere's proposals for these two subfactors, recognized that Latecoere's design offered advantages over ETC's design but concluded that Latecoere's advantages exceeded the RFP requirements and were not worth the additional cost. (Latecoere proposed a price of \$6,797,545 to ETC's price of \$5,979,106 for the design and construction of the device.)

^{8/} As noted above, the SSA properly concluded that ETC's proposed gondola seat design satisfied the RFP specification requirements. The SSA did, however, consider the advantages offered by Latecoere's design which exceeded the requirements of the specifications.

For example, under the arm subfactor, the SSAC found that Latecoere's design, based upon a complete and detailed finite element analysis^{9/}, posed less risk than ETC's design, which was based upon a preliminary finite element analysis. The SSA, however, considered the advantage offered by Latecoere's proposal, which was supported by a complete finite element analysis, and concluded that the safety factors offered by Latecoere exceeded the minimum requirements of the RFP and that ETC, as found by the SSEB and SSAC, offered an acceptable design with low risk for this subfactor.^{10/} In this regard, while Latecoere contends that the centrifuge device cannot properly be designed without first performing the finite element analysis, the RFP does not require that offerors perform a complete and detailed finite element analysis as a part of their proposal; rather the finite element analysis is required as a part of the contract effort.

Latecoere also argues that the SSA, under the arm subfactor, failed to consider the superiority of its counterweight adjustment system over that offered by ETC. We disagree. Latecoere offered an electric motor-driven counterweight adjustment system while ETC offered a system which was adjusted by bolting on steel plates. The SSAC found that Latecoere's counterweight adjustment system was superior because it could accommodate potential gondola weight gain due to changes in future training requirements and that keeping the G-TIP device in balance would be easier with Latecoere's design. The SSA, in considering these advantages, agreed that Latecoere's system would be easier to use, but concluded that "technical benefits offered by

^{9/} A "finite element analysis" is an engineering tool in which component parts or "finite elements" (i.e., beams, bars, plates, etc.) which best represent the overall structure are analyzed. Finite element modeling allows analysis of combinations of length, height, loads, materials, frequency, stiffness, density and safety factors of component parts to determine the natural frequency, safety factor and life cycle of the overall structure.

^{10/} Also, ETC's proposed device design was based upon another, currently operating, centrifuge which ETC had designed and built and for which ETC had completed a finite element analysis.

Latecoere for future requirements, which do not now exist, exceed the stated requirements of the RFP and do not equate to value added worthy of the increased monetary difference." We are unable to conclude that the SSA acted unreasonably in this regard.

Under the second most important evaluation factor, technical design of the facility, Latecoere was rated exceptional with low risk while ETC was rated acceptable with low risk. The only critical element subfactor for this factor was for the foundation. Latecoere argues that the SSA afforded no weight to Latecoere's stated intention to contract with a geotechnical engineering firm as part of its quality control to ensure the successful design of the foundation for this device and facility, which are located in a California earthquake zone. The record shows that the SSA specifically considered this aspect of Latecoere's facility design. The SSEB, while rating Latecoere's proposal as exceptional for the foundation subfactor, found that the ETC's proposal complied with the mandatory design direction of the RFP and was acceptable. The SSA considered Latecoere's intent to subcontract with a geotechnical engineering firm to be "reassuring" but not a substantial benefit over ETC's proposal which met RFP requirements. Furthermore, the SSA concluded that even though Latecoere offered a better foundation and facility design^{11/} at a better price than ETC^{12/} this fact alone did not result in Latecoere's overall proposal being the best value to the government, all other evaluation factors considered.

With regard to the past performance criterion, Latecoere argues that the SSA failed to consider ETC's pattern of poor past performance as documented by the SSEB and SSAC. The SSEB and SSAC rated ETC marginal with moderate risk for past performance, which was the third least important evaluation factor, while Latecoere was rated exceptional with low risk. The SSAC stated that ETC had received cure and show cause notices relating to late performance on other government contracts and that ETC's past performance indicated ETC's potential for future problems and risks of meeting contract schedules, providing the logistics support required, and keeping costs within budget.

^{11/} The SSA here too found Latecoere's superior design of the facility was primarily based on enhancements to the RFP requirements, which it found did not appear to provide substantial benefits to the function of the facility.

^{12/} Latecoere's proposed price for the facility was \$1,896,000 while ETC's price was \$1,899,942.

The SSA reviewed the SSEB's and SSAC's reports and concluded that the documentation did not substantiate ETC's marginal rating for past performance. Specifically, the SSA found that the cure and show cause notices had been satisfactorily resolved and none of these actions resulted in further adverse actions. The SSA also concluded that there was no showing that ETC's performance problems were solely contractor caused. In this regard, the ETC had appealed one case to the Armed Services Board of Contract Appeals and submitted requests for equitable adjustment in other cases. Accordingly, the SSA determined that, while ETC presented a greater performance risk than Latecoere, the increased risk presented by ETC's past performance record could be dealt with administratively since the nature of this procurement would require, under any circumstances, constant government attention and progress evaluation. The SSA concluded that ETC, with proper government monitoring, could successfully perform the required effort within the time specified.

Latecoere argues that the SSA by concluding that ETC's higher potential for performance problems could be obviated by increased government monitoring essentially changed the evaluation factors. We think, however, that rather than indicating a change in the evaluation factors, the SSA's determination reflects the agency's reasoned judgment as to actual risk posed by a prospective offeror. In this regard, we have found that an agency may properly conclude that an offeror's increased risk of performance can be administratively dealt with after contract award through government monitoring. See Bunker Ramo Corp., 56 Comp. Gen. 712 (1977), 77-1 CPD ¶ 427; Dayton T. Brown, B-229664, supra.

Latecoere also complains the SSA did not give sufficient weight to its proposed early delivery of the device and facility (3 months earlier than the RFP's 30 month minimum delivery schedule). However, the SSA expressly considered this advantage but was unable to quantify it, particularly since alternative training facilities currently exist.

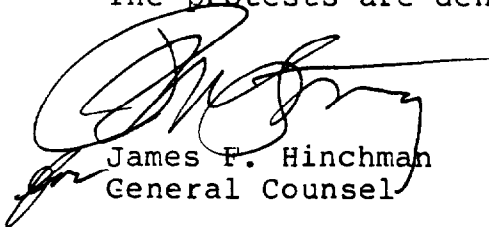
Furthermore, notwithstanding Latecoere's disagreement, Latecoere's advantage in the least important technical evaluation factor, logistics support, was found to be based on Latecoere's submission of logistics system documentation

only required to be submitted under the contract, as will be required of ETC.^{13/}

Latecoere raises numerous other issues concerning each of the other RFP evaluation factors, contending that the SSA did not properly consider the superiority of its proposal over ETC's. We find, for each of the issues raised by Latecoere, that the SSA properly considered the technical advantages offered by Latecoere's proposed effort and reasonably concluded that Latecoere's advantage over ETC's acceptable proposed effort was not worth the price premium. In this regard, as noted above, even if we were to disagree with the wisdom of the cost/technical tradeoff and source selection here, we will not substitute our judgment for the agency's unless we determine from the record before us that there is no reasonable basis for the agency's decision. Grey Advertising, Inc., 55 Comp. Gen. 1111, supra.

Finally, Latecoere claims that the SSA's award decision was the result of bias against Latecoere, a French company, and in favor of ETC, a domestic company. The agency expressly denied this claim and submitted the sworn affidavit of the SSA denying any bias against Latecoere in his award decision. Latecoere in its comments has not attempted to rebut the agency's statements on these issues. Moreover, there is no evidence in the record of bias on the part of the SSA for ETC or against Latecoere.

The protests are denied.



James F. Hinchman
General Counsel

^{13/} Latecoere and Wyle also protested that the price proposed by ETC for logistics support was materially unbalanced. The concept of materially unbalanced bidding, however, does not ordinarily apply in a negotiated procurement where, as here, cost or price is not the primary basis for source selection. Systems Research Corp., B-237008, Jan. 25, 1990, 90-1 CPD ¶ 106. In any case, as noted by the SSA, the total logistics costs of ETC and Latecoere are comparable.